

8 January 1968

MEMORANDUM

SUBJECT: Defense Intelligence Agency

1. Four main areas of weakness underlie DIA's failure to develop as an effective support to the Secretary of Defense. In summary, the problem areas can be stated like this:

a. Position. DIA has to serve two masters--OSD and the Joint Chiefs--whose needs, responsibilities, and objectives are frequently different and often at odds.

b. Personnel. Being run and staffed chiefly by military personnel, DIA is hindered in developing a corps of professional intelligence officers with continuity and experience in the problems of national intelligence.

c. Structure. DIA's ability to respond to OSD requirements quickly and clearly is affected by its internal organization with its high degree of centralization at the top and its multiplicity of echelons within operating components.

d. Relationship with service intelligence agencies. DIA exerts little control over the service intelligence agencies in the national intelligence sphere; as a result the service agencies are in a position to influence national intelligence judgments out of proportion to their resources and responsibilities.

2. The basic cause of DIA's inability to serve the Secretary of Defense is structural and probably cannot be eliminated short of a change in structure. If there can be no structural change, some improvements probably could be achieved by some changes in organization and personnel policy within DIA. There is no certainty that these improvements, if achieved, would result in a DIA more satisfactory to the Secretary of Defense. Whether any change in DIA takes place, it is possible that some reexamination of the role of the service intelligence agencies in USIB could lead to changes ultimately beneficial to the relationship of the Intelligence Community to the Secretary of Defense. The paragraphs that follow elaborate on the four problem areas and suggest some possible solutions.

Position

3. Problem. DIA is supposed to be the chief intelligence support component to the Secretary of Defense and his Office. DIA is also the J-2 element of the Joint Staff. The different--and often contrary--outlooks and intelligence requirements of OSD and JCS are well known. DIA is headed by military officers at all important management echelons. These officers tend to identify more with the Joint Chiefs (who are military careerists) than with the leadership in OSD (who are looked on as civilians in temporary residence).

Broadly speaking, DIA must provide OSD and its military customers with quite different kinds of intelligence. OSD users require detailed papers, broad in compass and reaching out in time. The emphasis in the JCS and among the unified and specified commands as they look to DIA is on intelligence analysis and reporting that is more current and tactical.

By and large, DIA managers and production personnel are more comfortable with the JCS kind of requirement, and hence more responsive to it. For their part, OSD users tend to be suspicious of the objectivity of DIA analysis and to question its freedom from service influences.

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4. Solution. To recognize that the intelligence needs and responsibilities of the Secretary of Defense and OSD on the one hand and of the Joint Chiefs and the other military commanders on the other are fundamentally different and cannot effectively be served by a single organization. Given the decision to move to a new structure, one schema could be:

a. A National Defense Intelligence Agency -- Headed by an Assistant Secretary of Defense for Intelligence who was a civilian and managed primarily by civilians with both civilian and military production personnel. The major responsibility of the ASDI would be to represent the Secretary of Defense at USIB, to participate for the Department of Defense in the national estimative process, and to oversee and plan the allocation of DOD resources in the intelligence field. In addition, the ASDI would be responsible for the development of threat estimates and projections, using agreed national intelligence, as required by OSD planners. This would be an intelligence producing organization serving a national-level consumer.

b. The formal establishment of J-2 -- Headed by a flag or general officer of three-star rank, the J-2 would be managed and manned principally by military officers with intelligence specialties, supplemented by civilian analytical personnel. The main duties of the J-2 would be to support the Joint Chiefs, the military departments, and the field commands in the production of current intelligence, departmental intelligence, and other intelligence products required at this level. The J-2 would continue to be responsible for various of the activities now discharged centrally by DIA such as administering the Defense attache system. In addition, the J-2 would sit as an observer on USIB, replacing the service intelligence chiefs in this role.

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Personnel

5. Problem. Many of the intelligence problems of DIA, particularly those of greatest interest to the Secretary of Defense and OSD, require personnel of training, experience, and exposure for their effective solution. Time on the job and continuity of direction are essential to the building of a corps of people with the requisite capabilities. The problem is essentially one of quality, not of numbers. DIA's dilemma is how to achieve quality in a personnel environment dominated by relatively short assignments, by the constant rotation of personnel (particularly at the middle and senior supervisory levels), and by an inability to attract and hold high-quality civilians (who see themselves condemned to a career of being No. 2 no matter how much harder they try).

6. Solution. Some solution within the existing DIA structure may be possible. Such steps might be taken as a) making the Deputy Director, DIA, a civilian, b) adopting a policy of opening any line position below the Director to civilian occupancy as qualified civilians are available and c) extending the tours of duty of well qualified military personnel. These steps would not cure the "two-masters" problem but probably would assist in advancing DIA's maturation as a professional intelligence organization.

Structure

7. Problem. Part of the price DIA pays for its broad spectrum of responsibilities and its commitment to performing certain activities in the name of the Department of Defense is a complex organizational framework. The organization has had only one Director and it has evolved to reflect his highly centralized style of operating. However it may work in practice, the organizational chart of June 1967 shows 20 entities reporting directly to the Director. A problem encountered by those in other organizations who have to deal with DIA is the extraordinary layering of supervisory echelons within many operating components. This appears to result in part from the need to provide what is apparently a high percentage of Lt. Colonels and Commanders

with supervisory positions without regard for the number of working personnel to be supervised.

8. Solution. It may be that there is no solution without a fundamental change in DIA's mission and responsibilities. A different Director might structure the organization differently and achieve some efficiencies that the organization does not now have. But as long as the basic set of responsibilities remains the same and the personnel matrix continues along the present military-civilian lines, there probably is little that can be done to relieve DIA of its internal structural problems.

Relations with service intelligence agencies

9. Problem. Whereas DIA is perpetually suspended between OSD and the Joint Chiefs, the service intelligence agencies operate in a direct, unambiguous relationship with the service chiefs (the service secretaries are regarded as part of OSD and expected to look to DIA for support).

The heads of Army, Navy, and Air Force intelligence sit on USIB as observers and neither participate formally nor concur in the preparation of National Intelligence Estimates. At the same time, they are free to indicate dissent and difference by footnotes in the body of the Estimate, and their representatives sit as full members, not observers, in the NIE drafting sessions and on the USIB subcommittees. As a result, the service intelligence agencies have found themselves in the position of having no responsibility for the final national intelligence product, yet being fully able to participate in its production and to attempt to influence it according to their service lights.

DIA has not been able to exercise much control over the performance of the service intelligence agencies in the national intelligence field for several reasons: it hasn't wanted to; it has had its own problems (i.e., the differences between OSD and JCS); and it has been heavily enmeshed in the unremitting demands of the Vietnam situation.

10. Solution. The present relationship of the service intelligence organizations to the USIB should be reexamined. Given a continuation of the present DIA structure, various adjustments are possible. The service chiefs could be disinvited to continue sitting as observers, and the position of their representatives in other USIB forums could be reduced accordingly. Alternatively, the service chiefs could continue to sit with USIB but without the privilege of having their views printed in the published NIEs except as DIA adopted their views as its own.

Given a structural change, such as the one suggested under Position (above), the service intelligence agencies could be relegated to their position as departmental support organizations and excluded from the national intelligence forum of USIB. The interests of the military departments would be represented on USIB by J-2.